MT. DIABLO MINE Clayton, California April 4, 1955

Joseph S. Gorlinski, Colonel USA, (Ret.) Central Velley Water Pollution Control Board 608 - 13 Street Sacramento 14, California

Dear Sir:

When your engineer, Mr. Inerfield, visited the Mt. Diablo Mine last, he asked that your office be informed when we commenced dewatering the mine.

We are now in the process of dewatering the mine, but we do not anticipate any difficulties until we hit the ore zone, which may possibly occur in a few months.

In the meantime, we would like to have Mr. Inerfield visit the mine so that we may have the benefit of his knowledge and experience in helping us resolve any difficulty that we may encounter in connection with our water problem.

I would appreciate being advised of Mr. Inerfield's visit a little ahead of time, if possible, so that I may be certain to be on the property at that time.

Very truly yours,

Vic Blomberg

Vic Blomberg

VB:HB

cc:Mr. Eldon Gilbert, Manager Cordero Mining Company 131 University Avenue Palo Alto, California

W. W.

United muis Opril 8,1855

New Owners of Mt. Diablo Quicksilver Mine:

A. R. McGuire 941 Clinton Fresno 4, California Fresno 7-0394

Nevada Scheelite Inc. 430 S. Maine Street Fallon, Nevada

Ray Henricksen 1834 Arthur Fresno 5, California

ti Dinble Mine

Glen W. Kent, M.D., Health Officer

HEALTH DEPARTMENT



John Gargan

CONTRA COSTA COUNTY

Post Office Box 871, Martinez, California 94553 Telephone: 228-3000

February 17, 1970

Guadalupe Mining Company 14900 Coleman Road San Jose, California 95020

Attention: Mr. George E. Carlson

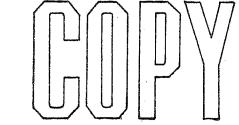
Vice President

Gentlemen:

This department has received complaints relative to increased turbidity allegedly from materials draining from your mine located on Morgan Territory Road near Clayton. An inspection was made of this drainage at your mine property.

You may not be aware that beneficial uses of water downstream from your mine involve irrigation and cattle watering. The water draining easterly along the face of the dam and originating from undefined paths in the tailing area together with the tributary to Marsh Creek that bypasses the holding pond and the overflow from the holding pond are causing an erosion of what appears to be an accumulation of fine particulate matter where the confluence of these three streams of water join. The fine particulate matter appears to be calcined ore that has accumulated in this location over a number of years. The observation made of the waters in the tributary stream to Marsh Creek downstream from your property, though not analyzed, appears turbid enough to exceed the limits as set by the Regional Water Quality Control Board in their Resolution Number 135 relating to the Mt. Diable Mine.

This condition of excessive turbidity must be corrected in the immediate future and prior to the irrigation season such that the water will be of such quality that the waters can be put to beneficial use.



Thomas

We are sending a copy of this letter to the Regional Water Quality Control Board in Sacramento for their attention and further investigation if they so desire. It is our opinion that the undefined channel flow forming the stream along the southerly face of the dam could be diverted and routed through the holding pond. The creek bypassing the easterly side of the pond could be rerouted such that it does not cause the erosive action into the calcined material and thereby provide clearing of water around your operation.

Very truly yours,

CONTRA COSTA COUNTY HEALTH DEPARTMENT

T. M. Gerow, Public Health Engineer Chief, Division of Environmental Health

TMG:kb

cc:→Regional Water Quality Control Board Sacramento Office

Pleasant Hill Area Office

Guadalupe Mining Company 14900 Coleman Road San Jose, California 95020

Gentlemen:

It has come to our attention the Guadalupe Mining Company has acquired the proprietorship or ownership of the Mt. Diable Mine in Contra Costa County, and that operations consisting of the mining and smelting of mercury ore are being conducted.

In accordance with the provisions of Section 13260 of the Porter-Cologne Water Quality Control Act, you are requested to file a report of waste discharge with this office. For this purpose we are enclosing a copy of WRCB Form 200, together with instructions for completing the form and the filing fee schedule. Following the receipt of this information we will initiate the procedure for establishing waste discharge requirements.

Please contact us should you have any questions concerning the filing of this report.

Very truly yours,

Charles T. Carnahan Executive Officer

PEJ/cs

Enc.

Suadalufe Mining Company

14900 Guadalupe Mines Road · San Jose, California 95120

October 2, 1970

Mr. Charles T. Carnahan California Regional Water Quality Control Board Central Valley Region 2424 Sixteenth Street Sacramento, California 95818

Dear Mr. Carnahan:

The report of waste discharge from the Mt. Diablo Mine and the \$100.00 fee are enclosed with this letter.

The information regarding present operations in Mr. Jepperson's memorandum, dated September 14, 1970, is correct, although much of the condenser cooling water evaporates as it percolates through the hot calcines which are discharged from the furnace. Only a portion of the total liquid discharge reaches the settling ponds downslope from the calcine disposal area (called "tailings" by Mr. Jepperson.)

The present (summertime) liquid discharge is about 50 gallons per day. This discharge will be considerably less during the colder (winter) part of the year.

The excessive turbidity in the creek downstream from the mine which was reported by the Contra Costa County Health Department on February 17, 1970, was not a result of current mine operations, but presumbly was caused by seasonal run-off transporting previously emplaced material further down stream.

Please advise us if additional information is desired.

Yours very truly,

GUADALTPE MINING CO

C. T. Weiler

CTW: hk Encl. 2

STATE OF CALIFORNIA THE RESOURCES AGENCY OF CALIFORNIA

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD

Kepart of Callection

Page # 335

Cb # 4603

		**
<u></u>	REPORT OF WASTE DISCHARGE	FOR USE OF REGIONAL BOARD
	Pursuant to Division 7 of the State Water Code	WRCB Form 200 Rec'd:
(A)	REPORT FROM:	Duty Fee:
	Name GUADALUPE MINING CO. (Owner of Facility, Municipality, County, District, Firm or Individual)	Letter to Discharger:
	Mailing Address 14900 GUADALUPE MINES RD.	
	SAN JOSE, CALIFORNIA	Report Rec'd:
	Telephone No. 269-5694	Effective Date:
(B)	DESCRIPTION:	
	1. WASTE DISCHARGE: (check) 1. New discharge	tch)
)	11. WASTE TREATMENT FACILITIES: (check) 1. Construction of entirely new facilities () 2. Enlargement of existing facilities () 3. Other (explain) Three settling ponds, in series downslepe receive that portion of the condenser cooling system descharge that is not evaporated or absorbed in the	,
(C)	TYPE OF WASTE DISCHARGE: (check) 1. Sewage only	
(D)	QUANTITY OF WASTES:	
	1. Present flow (in mgd) 4. Design population 2. Design flow (in mgd) 5. Solid waste dispos 3. Present population (in cubic yards)	
(E)	SOURCE OF WATER SUPPLY: 1. Surface () Ground () Amount	Permit or License ()
(F)	AMOUNT OF FILING FEES - (See attached Fee Schedule) Amount of fee accompanying Preliminary Waste Discharge Report \$ \$100.0	OO (Class B)
ALL ARE	OF THE STATEMENTS CONTAINED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY SUBMITTED UNDER PENALTY OF PERJURY. SIGNATURE OF AUTHORIZED PERSON Walley	
	mitle Variable	Oliver. R. Engineer, Consultant, etc.)
<u> </u>	Tr. Date	

You will be notified of the correctness of filing fee and submittal of any additional information deemed necessary to complete your Report of Waste Discharge pursuant to Division 7. Section 13260 of the State Water Code.

STATE OF CALIFORNIA-RESOURCES AGENC

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD—. CENTRAL VALLEY REGION



701 S STREET

"ACRAMENTO, CALIFORNIA 95816

PHONE: (916) 445-0270

452-3977

14 September 1978

Mr. Jack Wessman 1770 Willow Pass Road Concord, CA 94520

Enclosed is an official copy of Order No. 78-114 as adopted by the California Regional Water Quality Control Board, Central Valley Region, at its last regular meeting. Please acknowledge receipt by signing and returning the enclosed card.

Additional copies of this Order may be obtained upon request to the Regional Board's office.

Sincerely,

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD CENTRAL VALLEY REGION

Βv

JAMES A. ROBERTSON Executive Officer

CAH/gs

Enclosure

cc: DWR - Central District
DFG, Region III
SWRCB, Legal
CHD - Contra Costa

SWRCB, Planning & Research, Geology Div. of Mines & Geology, Sacramento Contra Costa Planning Dept.

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD CENTRAL VALLEY REGION

RESOLUTION NO. 90-127

RESOLUTION TO EXEMPT JACK AND CAROLYN WESSMAN,
MOUNT DIABLO MINE, CONTRA COSTA COUNTY
FROM REQUIREMENTS AND PROHIBITIONS OF
THE TOXIC PITS CLEANUP ACT

WHEREAS, the Regional Water Quality Control Board, Central Valley Region, hereafter Board, makes the following findings:

- 1. The Mount Diablo Mine (MDM) is on the southeastern flank of Mount Diablo in the southeast quarter of Section 29, Township 1N, Range 1E of the Mount Diablo Baseline and Meridian. The mine is approximately five miles southeast of Clayton.
- 2. The MDM property was purchased by Jack and Carolyn Wessman in 1974.
- 3. The MDM ceased operations in the early 1970s.
- 4. The MDM property has three unlined surface impoundments (Principal Pond, Northern Pond and Upper Pond) which are used to collect mine drainage, surface and spring water flows.
- 5. Surface and spring water drainages at the MDM are from the Upper Pond to the Northern Pond to the Principal Pond. The Northern and Principal Ponds are bordered to the east by Dunn Creek. The Principal Pond is bordered to the south by Horse Creek. During the wet season, the Principal Pond overflows to Horse Creek, a tributary of Dunn Creek, a tributary to Marsh Creek, a tributary to the San Joaquin River.
- 6. The beneficial uses of Marsh Creek and the San Joaquin River are municipal, industrial and agricultural supply; recreation; esthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife and other aquatic resources; fresh water replenishment; and ground water recharge.
- 7. The beneficial uses of ground water in the immediate area of the MDM are domestic and agricultural supply.
- 8. The Board adopted Waste Discharge Requirements Order No. 78-114 for Mount Diablo Mine (MDM) on 8 September 1978 and the Executive Officer issued a Cleanup and Abatement Order on 20 November 1978.
- 9. In the late 1970s, impoundments were reconstructed and drainages were diverted into the surface impoundments in response to directions of the Board to cleanup or abate a condition of pollution or nuisance resulting from discharges to surface waters of leachate and mining wastewater originating from the mined area.

RESOLUTION NO. 90-127 TO EXEMPT JACK AND CAROLYN WESSMAN MOUNT DIABLO MINE CONTRA COSTA COUNTY

- 10. The surface impoundments have hazardous concentrations of mercury and nickel and are thus regulated by the Toxic Pits Cleanup Act (TPCA), California Health and Safety Code (H&SC), Sections 25208, et seq. Specifically, the Northern and Upper Ponds contain concentrations of mercury in the sediments which exceed the Total Threshold Limit Concentration, and the Principal Pond contains concentrations of nickel which exceed the Soluble Threshold Limit Concentration.
- 11. Mr. Wessman applied on 30 June 1989 for an exemption from the TPCA, pursuant to H&SC Section 25208.20, for the surface impoundments and filed a technical report.
- 12. Mr. Wessman, in the operation plan provided in the technical report, has committed to performing mitigation and monitoring tasks, including: (1) divert the northern pond waters to Dunn Creek, (2) divert the surface runoff from the mine tailings and the area north of the northern pond into Dunn Creek, (3) collect and analyze surface runoff from the area to be diverted prior to construction to determine whether the construction is permissible, (4) collect a sample of the water in the surface impoundment during the winter season and analyze for electrical conductivity (EC), pH, mercury and nickel, (5) monitor the water levels in the surface impoundment and (6) collect a water sample of the discharge from the northern impoundment during the winter season and analyze for EC, pH, total dissolved solids (TDS), mercury and nickel.
- 13. Mr. Wessman has conducted monitoring of the drainages and pond waters and has partially mitigated the detrimental impact to surface waters by constructing a diversion from the Northern Pond to Dunn Creek. This diversion reduces the inflow to the Principal Pond which in turn reduces the outflow to Horse Creek during the wet season.
- 14. If the surface impoundments are eliminated, then wastewater with hazardous concentrations of mercury and nickel will discharge into downstream surface waters and adversely impact beneficial uses. Therefore, the benefit to the environment from discharging the wastewater to the impoundment and, thus, mitigating the impact on surface waters, outweighs any threat to ground water quality from impounding those wastewaters because the ground water quality within the area of the mine has historically been known not to meet drinking water standards.
- 15. The Board may grant a person an exemption from the requirements and prohibitions of the TPCA for a surface impoundment if: (1) the surface impoundment was constructed at the direction of the Board to cleanup or abate a condition of pollution or nuisance resulting from discharges of mining waste to surface waters, (2) the Board issued waste discharge requirements for the operation of the surface impoundment, (3) the person

RESOLUTION NO. 90-127
TO EXEMPT JACK AND CAROLYN WESSMAN MOUNT DIABLO MINE
CONTRA COSTA COUNTY

applied to the Board and filed a technical report, and (4) the environmental benefit of discharging to the surface impoundment as a remedial measure outweighs any threat to water quality posed by the surface impoundment (H&SC, Section 25208.20).

16. In granting an exemption from the TPCA, the Board will retain its continued authority under Division 7, commencing with Section 13000, of the Water Code, including any regulations adopted pursuant thereto. Therefore be it

RESOLVED, that, in accordance with Section 25208.20 of the California Health and Safety Code, Jack and Carolyn Wessman are exempted from the requirements and prohibitions of the TPCA for the surface impoundments identified as the Principal Pond, the Northern Pond and the Upper Pond at the Mount Diablo Mine; and be it further

RESOLVED, that this exemption is conditional and if the surface impoundments hereby exempted from the TPCA are not in compliance with the requirements of Section 25208.20 H&SC, or if the tasks identified in Item 12 of this resolution are not completed in a timely manner, then this exemption is revoked and all of the requirements and prohibitions of the TPCA apply.

I, WILLIAM H. CROOKS, Executive Officer, do hereby certify the foregoing is a full, true, and correct copy of a Resolution adopted by the California Regional Water Quality Control Board, Central Valley Region, on 27 April 1990.

WILLIAM H. CROOKS, Executive Officer

CKW:jj

STAFF REPORT

MOUNT DIABLO MINE CONTRA COSTA COUNTY

The Mount Diablo Mine (MDM) is on the northeastern flank of Mt. Diablo. It is approximately five miles southeast of Clayton and about 15 miles south-southwest of Antioch. The mine is in the southeast quarter of Section 29 of Township 1 North, Range 1 East of the Mount Diablo Baseline and Meridian. Three surface impoundments are at the base of the mine and mine tailings in the northwest quarter of the southwest quarter of Section 28. Mine drainage, and surface and spring water flows are captured by the impoundments. Drainage flows from the Upper Pond to the Northern Pond to the Principal Pond. There are three creeks in the vicinity of the mine. Horse Creek flows easterly near the southern edge of the mine and is a tributary to Dunn Creek. There are naturally occurring springs and seeps along this drainage. The Principal Pond discharges to Horse Creek during the winter season. Dunn Creek flows southerly along the eastern edge of the Northern and Principal Ponds and is a tributary to Marsh Creek. The confluence of Horse and Dunn Creeks is immediately south of the Principal Pond. Marsh Creek is a tributary of Sacramento-San Joaquin Delta.

MDM is an inactive mine. The mine is in the Mt. Diablo quicksilver district and the first mining claims in the district were made in the 1860s. The first known workings at the MDM were in 1930 to 1931 by the Mt. Diablo Quicksilver Mining Company. The MDM has been owned and operated by several other companies throughout its history including the Bradley Mining Company, the Cordero Mining Company, the Victoria Resources Corporation and the Welty and Randall Mining Company. The MDM was last operated by the Guadalupe Mining Company from 1970 to 1971 and has been inactive since that time. The MDM was sold to Jack and Carolyn Wessman in 1974. The parcel which contained the Northern and Principal Ponds was sold to Frank and Ellen Meyer in 1977, but ownership was returned to the Wessman's in 1989.

Jack and Carolyn Wessman own Parcels 078-008 and 078-060-011 which is approximately 109 acres. The Wessman property is bordered to the south by parcels owned by the State of California, Mount Diablo State Park. A small portion of the mine tailings and waste rock lies on the State Park property.

Prior to ownership by the Wessmans, the MDM had waste discharge requirements issued by the Central Valley Regional Water Pollution Control Board. The Board adopted Resolution No. 52-27 (Resolution No. 135) on 15 May 1952 which set requirements for the water quality of Marsh Creek, Dunn Creek and the pond effluent. A Resolution for Public Hearing (Resolution 53-21) was adopted on 27 February 1953 and resolved that a hearing would be held to determine whether the discharge of industrial wastes were taking place contrary to the requirements. A public hearing was held on 14 December 1953 and it was determined that wastes constituted a nuisance and corrective action was ordered.

Toxic Pits Cleanup Act (TPCA) Mining Exemption

There are three unlined surface impoundments which lie at the toe of the mined tailings for the purpose of collecting mine drainage, surface water and spring water flows. The water in the Northern Pond has a neutral pH whereas the waters

STAFF REPORT MOUNT DIABLO MINE CONTRA COSTA COUNTY

in the Upper and Principal Ponds are acidic. The three surface impoundments (Upper Pond, Northern Pond and Principal Pond) contain hazardous levels of mercury and/or nickel and are subject to the TPCA. These hazardous concentrations were reported in the 30 June 1989 Mt. Diablo Mine, Surface Impoundment Technical Report, and the 17 November 1989 Addendum to said report, submitted by Mr. Wessman. The Northern and Principal Ponds were constructed and reconstructed, respectively, by Mr. Wessman in the late 1970s in response to directions from the Regional Board. Waste discharge requirements and a CAO were issued to control and direct drainage into the Principal Pond so as to prevent further degradation of Horse Creek, Dunn Creek and Marsh Creek.

The Board may grant an exemption from the requirements and prohibitions of the TPCA if Mr. Wessman demonstrates and the Board determines that:

1. The surface impoundment was constructed at the direction of the Board.

The surface impoundments were previously operated under Resolution No. 53-21 and Resolution No. 52-27. Waste Discharge Requirements Order No. 78-114 was adopted by the Board on 8 September 1978 and a CAO was issued by the Executive Officer on 20 November 1978. Prior to construction of the impoundments, there was an unabated discharge of large quantities of sediment and acidic waters to the creeks during the wet season. Construction of the surface impoundments by Mr. Wessman occurred in the late 1970s under these requirements to divert drainages into the impoundment and make repairs to the impoundment. The impoundments were constructed to prevent pollution or nuisance, to prevent degradation of the water supply, to control drainages into a specified disposal area and to implement erosion control practices to minimize erosion of the worked areas of the mine. Overflow from the Principal Pond to Horse Creek during the wet season still continues but has been minimized by construction of the surface impoundments in the late 1970s.

2. The Board issued waste discharge requirements for the operation of the surface impoundment.

The most recent waste discharge requirements were adopted by the California Regional Water Quality Control Board, Central Valley Region, on 8 September 1978. Waste Discharge Requirements (WDR) Order No. 78-114 prohibited the direct discharge of wastes to surface waters or surface water drainage courses and prohibited the discharge of previously deposited sediment from the reservoir. A Cleanup and Abatement Order (CAO) was issued by the Executive Officer on 20 November 1978. The CAO required the rediversion of springs from the mine overburden and the other worked areas of the mine back to the storage reservoir and to complete repairs to the storage reservoir.

STAFF REPORT
MOUNT DIABLO MINE
CONTRA COSTA COUNTY

3. Mr. Wessman applied to the Board for an exemption and filed a technical report on or before 1 July 1989. The technical report must contain sufficient information to determine that the surface impoundment is polluting or threatening to pollute the waters of the State.

Mr. Wessman submitted the Mt. Diablo, Surface Impoundment Technical Report on 30 June 1989, which applied for an exemption from the requirements of the TPCA under Section 25208.20 of the Health and Safety Code. The technical report was complete by containing information on: a) an analysis of the effectiveness of the containment structure, and b) operation plans to prevent the migration of hazardous waste to ground water.

The operation plan of the technical report consisted of a waste minimization approach through maintaining the fluid level in the Principal Pond by preventing overtopping. The operation plan consisted of installing an outlet from the Northern Pond to Dunn Creek (this was performed in December 1989) and by diverting surface runoff from the mine tailings and the area west of the Northern Pond into Dunn Creek. However, prior to construction of the latter diversion, a chemical analysis of the runoff from these areas would be necessary to determine if the construction was permissible. The operation plan proposed constructing a sump in the tailings area to collect the runoff. The operation plan also included ongoing monitoring. The monitoring plan included water sample collection from the Principal Pond during the winter season and analysis for electrical conductivity (EC), pH, mercury and nickel, monitoring of the water level in the Principal Pond; and water sample collection from the Northern Pond outlet during the winter season and analysis for EC, pH, total dissolved solids (TDS), mercury and nickel.

The technical report was not complete with respect to Section 25208.20(c) because it did not contain information on:

- a) characterization of the waste constituents; and
- b) ground water monitoring data.

On 17 November 1989, Mr. Wessman submitted the necessary analytical data. The analytical data revealed that sediment from the Northern and Upper Ponds contained concentrations of mercury which exceeded the Total Threshold Limit Concentration and that the ground water contained concentrations of nickel which exceed the Soluble Threshold Limit Concentration. The Regional Board informed Mr. Wessman on 30 November 1989 that the application and technical report was complete and that the technical report complied with Section 25208.20(c) of the TPCA.

STAFF REPORT MOUNT DIABLO MINE CONTRA COSTA COUNTY

4. The environmental benefit of discharging mining wastewater to the surface impoundments as a remedial measure outweighs the threat to water quality posed by the surface impoundments.

Prior to issuance of the WDRs and CAO in 1978, there were unabated discharges of wastes from the mined area to Horse, Dunn and Marsh Creeks, as evidenced by the historical complaints of downstream property owners and the continued threatened violations of requirements by the historical mine operators. In December 1962, Marsh Creek Reservoir was constructed. By September 1980, it was recommended that the reservoir should not be opened due to the potential health problems because of high mercury levels The surface impoundments were constructed in the late 1970s, in fish. specifically for the purpose of preventing further degradation to the Therefore, it is evident that the unabated discharge of wastes from the mined area was detrimental to the beneficial uses of the creeks. Historical ground water quality from wells within one mile of the mine have a neutral to slightly alkaline pH and have total dissolved solids and electrical conductivity concentrations which generally exceed the California Secondary Maximum Contaminant Levels (SMCL). Ground water samples have also exceeded the SMCL for concentrations of chloride, sulfate, manganese and iron.

Staff contends that by eliminating the surface impoundments, the direct discharge of mining wastewater to surface water will occur. The threat of a continued discharge to surface water of mine wastewater and sediment high in nickel and mercury is greater than the threat of containing wastes within the surface impoundments in an area where the ground water quality has been known historically not to meet drinking water standards and has been impacted by past mining activities.

RECOMMENDATION

The proposed TPCA mining exemption allows Mr. Wessman to continue operation of the surface impoundments to prevent the discharge of mine wastewater to surface and ground waters, and by instituting remedial measures to prevent the direct discharge to waters of the state. Surface water pollution has been mitigated through the continued use of the surface impoundment and by the construction of diversions and on-going monitoring by Mr. Wessman. Since the environmental benefits of discharging to surface impoundments outweigh the threat to ground water, staff recommends adoption of the proposed resolution to exempt surface impoundments from the requirements and prohibitions of the Toxic Pits Cleanup Act of 1984.

CKW:jj 23 February 1990

California Regional Water Quality Control Board

Central Valley Region

Steven T. Butler, Chair

RUSA



Sacramento Main Office

Internet Address: http://www.swrcb.ca.gov/~rwqcb5 3443 Routier Road, Suite A, Sacramento, California 95827-3003

Phone (916) 255-3000 • FAX (916) 255-3015

18 August 2000

uston H. Hickox

Secretary for

Environmental

Protection

Mr. Ron Schafer
Bay Area District Superintendent
Department of Parks and Recreation
250 Executive Park Blvd. Suite 4900
San Francisco, CA 94134

MOUNT DIABLO MERCURY MINE CONTRA COSTA COUNTY. (CASE NO. 133)

During recent inspections of the Mount Diablo Mercury Mine Regional Board Staff noted that mine tailings discharging polluted wastewater extend onto adjacent Mount Diablo State Park property. Staff review of the file for the Mount Diablo Mine indicates that the Department of Park and Recreation was working with the RWQCB on a plan to clean up the Park property as late as 14 March 1989. The file contains no evidence that a plan was submitted and field inspection indicates that no remedial actions were implemented on Park property.

Staff is currently working on enforcement actions for the Mount Diablo Mine. As owner of a small part of the mine waste pile and with polluted wastewater discharging from Mount Diablo State Park land the Department of Parks and Recreation may be a potential responsible party in the clean-up of the entire site. DPR should indicate that they are willing to continue the clean-up process on park property, submit a plan and time schedule for implementation of corrective actions by 15 November 2000.

If you have any questions please call me at (916) 255-3814.

Ross D. Atkinson

Associate Engineering Geologist

cc: Dr. William Walker, Contra Costa County Health Services, Martinez.

RDA;C:mydocuments\mtdiablo\NoticeDPR

GUARANTEE



First American Title Insurance Company

To: Sue Loyd

% Contra Corfa Deptof

Encronmental Heath

121294enc

CLTA GUARANTEE

CLTA RECORDED DOCUMENT GUARANTEE

LIABILITY :

\$25,000.00

ORDER NO .:

857809

FEE

\$550.00

YOUR REF .:

None

FIRST AMERICAN TITLE INSURANCE COMPANY a corporation, herein called the Company,

Subject to the terms, limitations and conditions of the application for this Guarantee executed on the 6 day of December, 1994, which application, or copy thereof, is attached hereto and made a part hereof.

GUARANTEES

JACK WESSMAN

herein called the Assured, against loss not exceeding the liability amount stated above which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

Any claim or other notice to the Company shall be in writing and shall be addressed to the Company at 114 East Fifth Street, Santa Ana, California 92701.

THIS GUARANTEE IS NOT VALID AND THE COMPANY SHALL HAVE NO LIABILITY HEREUNDER UNLESS THE APPLICATION REFERRED TO ABOVE OR COPY THEREOF AND SCHEDULE A ARE ATTACHED HERETO.

Dated:

December 6, 1994 at 7:30 a.m.

FIRST AMERICAN TITLE INSURANCE COMPANY

Assistant Secretary

Order No. 857809 Page No. 2

SCHEDULE A

CLTA RECORDED DOCUMENT GUARANTEE

The assurances referred to on the face page are:

That, based on a search of the records indicated in the application referred to on the face page hereof, the following identified and attached documents constitute all of the designated documents requested in the application.

Designated Documents:

1. LEASE for the term and upon the terms and conditions contained therein

Dated

: November 2, 1929

Lessor

: Joseph Tonge

Lessee Recorded : N. C. Hardy, V. Blumberg, and A. E. Moni

: January 14, 1930, Book 211, Page 440, Official Records.

2. DEED

From

: Joseph Tonge and Clara Tonge, his wife

To Recorded : Mt. Diablo Quicksilver Company, Ltd., a Nevada corporation : January 27, 1932, Book 304, Page 364, Official Records.

3. INDENTURE

From To : Edward A. Howard and Daisy B. Howard, his wife : Mt. Diablo Quicksilver Company, Ltd., a corporation

Recorded

: February 1, 1934, Book 354, Page 414, Official Records.

4. QUIT CLAIM DEED

From

: V. Blumberg, also known as V. Blomberg and Anna Blumberg, his wife

and A. E. Moni and Emma Moni, his wife

To

: Mt. Diablo Quicksilver Company, Ltd., a Nevada corporation

Recorded

: January 18, 1936, Book 401, Page 241, Official Records.

5. LEASE for the term and upon the terms and conditions contained therein

Dated

: December 21, 1935

Lessor

Mt. Diablo Quicksilver Company, Ltd., a Nevada corporation

Lessee

: C.W. Ericksen

Recorded

: January 23, 1936, Book 403, Page 447, Official Records.

6. LEASE for the term and upon the terms and conditions contained therein

Dated

: September 12, 1951

Lessor

: Mt. Diablo Quicksilver Company, Ltd., a Nevada corporation

Lessee

: Ronnie B. Smith, Trustee

Recorded

November 9, 1951, Book 1848, Page 355, Official Records.

Order No. 857809 Page No. 3

7. GIFT DEED

From : Daisy B. Howard

To : Margaret H. de Witt, Jane H. Reimers, Elizabeth H. Dakin and Edward

A. Howard, Jr., as tenants in common

Recorded : August 13, 1952, Book 1976, Page 73, Official Records.

8. GRANT DEED

From : Edward A. Howard, Jr., Margaret H. De Witt, Jane H. Reimers and

Elizabeth Dakin

To : Victor Blomberg, Anna M. Blomberg, his wife, as joint tenants

Recorded : October 9, 1958, Book 3242, Page 279, Official Records.

9. GRANT DEED

From : Victor Blomberg and Anna Blomberg, his wife

To : Victor Blomberg, a one-fourth (1/4) undivided interest, Dr. Fred Zumwalt,

a one-fourth (1/4) undivided interest, Leland B. Nickerson, a five-sixteenths (5/16) undivided interest, Mrs. A. C. Lang, a one-eighth (1/8) undivided interest and Miss May Perdue, a one-sixteenth (1/16)

undivided interest, as tenants in common

Recorded : November 7, 1958, Book 3260, Page 369, Official Records.

10. QUITCLAIM DEED

From : Con S. Shea, as Administrator of the Estate of John E. Johnson,

deceased, John E. Johnson, having died an unmarried man

To : Mt. Diablo Quicksilver Company, Ltd., a Nevada corporation

Recorded : June 22, 1959, Book 3396, Page 591, Official Records.

11. CORPORATION QUITCLAIM DEED

From : Cordero Mining Company, a corporation

To : Mt. Diablo Quicksilver Company, Ltd., a Nevada corporation

Recorded : January 18, 1960, Book 3537, Page 123, Official Records.

12. GRANT DEED

From : Mt. Diablo Quicksilver Company, Ltd., a corporation

To : Victoria Resources Corporation, a California corporation Recorded : October 14, 1960, Book 3723, Page 551, Official Records.

13. GRANT DEED

From : Victor Blomberg; Margaret Z. Brown, as executrix of the Will of Fred H.

Zumwalt, deceased, (also known as "Dr." Fred Zumwalt"; John Robert Friborg, as guardian of the person and Estate of Leland B. Nickerson; Luella W. Lang (who acquired title as "Mrs. A C. Lang"); and May

Perdue

To : Victoria Resources Corporation, a California corporation

Recorded : July 30, 1964, Book 4671, Page 542, Official Records.

14. QUITCLAIM DEED

From : Welty--Randall Mining Company, a partnership
To : Victoria Resources Corporation, a corporation

Recorded : December 9, 1969, Book 6020, Page 199, Official Records.

Order No. 857809 Page No. 4

15. CORPORATION GRANT DEED

From To Victoria Resources Corporation, a corporationGuadalupe Mining Company, a corporation

Recorded

: December 9, 1969, Book 6020, Page 207, Official Records.

16. GRANT DEED (CORPORATION)

From

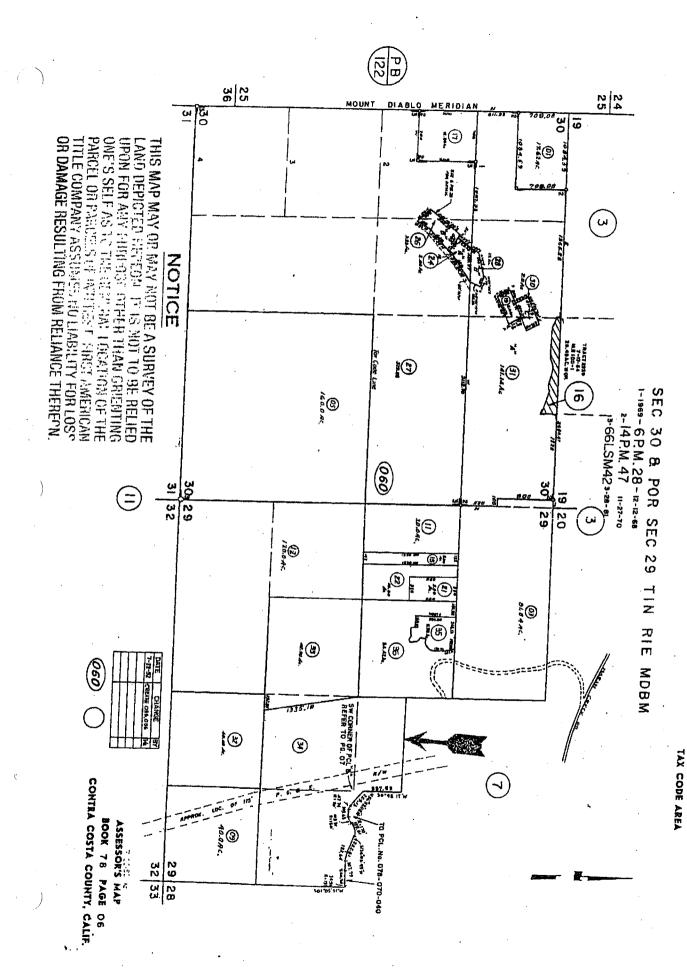
: Guadalupe Mining Company

To

: Jack Wessman and Carolyn Wessman, his wife, as Joint tenants

Recorded

: July 2, 1974, Book 7265, Page 266, Official Records.



GUARANTEE CONDITIONS AND STIPULATIONS

1. Definition of Terms

The following terms when used in this Guarantee mean:

- (a) "land": The land described, specifically or by reference, in this Guarantee and improvements affixed thereto which by law constitute real property;
- (b) "public records": those records which impart constructive notice of matters relating to said land;
- (c) "date": the effective date;
- (d) "the Assured": the party or parties named as the Assured in this Guarantee, or in a supplemental writing executed by the Company;
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

2. Exclusions from Coverage of This Guarantee

The Company assumes no liability for loss or damage by reason of the following:

- (a) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- (b) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
- (c) Title to any property beyond the lines of the land expressly described in the description set forth in this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
- (d) Defects, liens, encumbrances, adverse claims against the title as guaranteed or other matters (1) created, suffered, assumed or agreed to by one or more of the Assured; or (2) resulting in no loss to the Assured.

3. Prosecution of Actions

- (a) The Company shall have the right at its own cost to institute and prosecute any action or proceeding or do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this Guarantee whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.
- (b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

4. Notice of Loss - Limitation of Action

A statement in writing of any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Assured of any action under this Guarantee.

5. Option to Pay, Settle or Compromise Claims

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage securing the same to the Company upon payment of the purchase price.

6. Limitation of Liability — Payment of Loss

- (a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of the liability stated on the face page hereof.
- (b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorney's fees in litigation carried on by the Assured with the written authorization of the Company.
- (c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged defect, lien or encumbrance not shown as an Exception or excluded herein removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.
- (d) All payments under this Guarantee, except for attorney's fees as provided for in paragraph 6(b) hereof, shall reduce the amount of the liability hexeunder pro tanto, and no payment shall be made without producing this Guarantee for indorsement of such payment unless the Guarantee be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.
- (e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.

7. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.

8. Guarantee Entire Contract

Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee. No provision or condition of this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.

9. Notices, Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at 421 North Main Street, Santa Ana, California 92701, or to the office which issued this Guarantee.

10. Fee

The fee specified on the face of this Guarantee is the total fee for title search and examination and for this Guarantee.

California Regional Water Quality Control Board

Central Valley Region

Robert Schneider, Chair

Sacramento Main Office

11020 Sun Center Drive #200, Rancho Cordova, California 95670-6114 (916) 464-3291 • Fax (916) 464-4645 http://www.waterboards.ca.gov/centralvalley



TO:

Agency Secretary

Jeff Barnickol

Supervisor

Office of Statewide Initiatives

FROM:

Wendy Wyels

Environmental Program Manager

Title 27 and WDR Program Units

Original signed by

DATE:

13 December 2005

SIGNATURE:

SUBJECT: REQUEST FOR STATE WATER BOARD SUPPORT IN RESEARCHING

RESPONSIBLE PARTIES FOR THE MOUNT DIABLO MERCURY MINE, CONTRA

COSTA COUNTY

Ross Atkinson of my staff has been in contact with Mike Gjerde of your staff concerning the Mount Diablo Mercury Mine. Mike has offered to assist us by researching responsible parties for the Mount Diablo Mercury Mine but needs an approval from his supervisor.

The Mount Diablo Mine was an active mine during the 1930's and 1940's. Since the 1970's, the mine site has been owned by Mr. Jack Wessman, a private individual. Mr. Wessman has represented to the Board that he is financially unable to comply with WDRs but has always resisted submitting his personal financial information.

We would like Mike's assistance to:

- 1. Quantify Mr. Wessman's resources. Is he able to contribute to a cleanup of the mine site? Mr. Wessman is retired but we believe he may still own property in the Bay Area.
- 2. Research the status of the mining companies that operated the mine and their successors. Do any of the previous operators exist and can they be held liable to fund a cleanup?

Ross has e-mailed Mike the limited information in our files regarding the mine operators.

We hope to prepare an enforcement order in the near future, and would very much appreciate Mike's timely help.

If you have any questions, please contact me at (916) 464-4835 or Ross Atkinson at (916) 464-4614.

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MEMORANDUM

TO:

James A. Robertson

FROM:

Chris Haynes

SUBJECT:

Request for Judicial Relief Regarding Mount Diablo Quicksilver Mine

PROSPECTIVE DEFENDANTS

The current property owners are:

Home:

Jack and Carolyn Wessman 2430 Morgan Territory Road Clayton, California 94520

Office:

Jack Wessman

Security Pacific Real Estate Brokerage

1770 Willow Pass Road

Concord, California 94520

CASE BACKGROUND

The Mount Diablo Quicksilver Mine is on the east slope of Mount Diablo in Contra Costa County. The mine was operated intermittently from 1870 to 1970 when work ceased and it was sold. The property includes approximately 97 acres of which about 30 acres are abandoned mine workings. Surface and mineral rights of the property are presently owned by Jack and Carolyn Wessman.

During the operational life of the mine, drainage was contained in an earthen, diked, tailings reservoir. This reservoir is now nearly filled with sediment accumulated throughout the years.

The wet season of 1977-1978 resulted in the failure of the dike surrounding the tailings reservoir. Large quantities of sediment were deposited downstream in Marsh and Dunn Creek. Mine drainage continues to flow through and around the tailings reservoir and into Dunn Creek. A red-brown flock is formed when this drainage enters Dunn Creek and this material can be seen coating the creek bottom for approximately one mile downstream.

Storms expected during the coming winter will increase the drainage from the mine. In addition to the increased mine drainage, sediment from the tailings pond will also be discharged and further degrade the quality of Dunn Creek.

CASE HISTORY

- 29 Jan 1975- Regional Board staff inspection of the facility by Steve Macaulay found that Dunn Creek was severely mineralized by the mine drainage.
- 17 Apr 1975- Department of Water Resources study by Tom Morgester found influence of the mine drainage in Dunn Creek and Marsh Creek.

- 20 Oct 1975- Regional Board staff inspection by Steve Macaulay found that the mine drainage impairs beneficial uses of Dunn Creek and threatens further damage
- 28 Oct 1975- Letter from the Regional Board to Jack and Carolyn Wessman directing them to submit a time schedule for achieving complete containment of all wastewater and to abate further discharge to Dunn Creek and other surface waters
- 10 Dec 1975- Letter from Mr. Jack Wessman to comply with the Regional Board's letter of 28 October 1975. Included was a geologist's report on the mine
- 18 Dec 1975- Letter from the Regional Board to Mr. Wessman informing him of Resolution No. 53-21
- 17 Sep 1976- Regional Board staff inspection by Larry Nash found conditions the same as described previously
- 27 Jun 1978- Aerial Surveillance flight by Richard Rose and Chris Haynes photographs mine sediment deposited along Dunn Creek
- 13 Jul 1978- Regional Board staff inspection by Chris Haynes and Richard Rose, and Tom Kasnic and Mike Rugg of the Department of Fish and Game finds Dunn and Marsh Creek severly degraded by the mine drainage
- 20 Jul 1978- Regional Board staff sampling by Chris Haynes
- 3 Aug 1978- Regional Board and State Board staff inspection by Chris Haynes and Jim Parsons. Mr. Parsons made a geologic review of the site to evaluate the report submitted by Mr. Wessman on 10 December 1975
- 9 Aug 1978- Regional Board and Soil Conservation Service staff inspection by Chris Haynes, Bob Roan and Bill Morgan to discuss possible corrective measures
- 18 Aug 1978- Letter from Department of Fish and Game characterizing discharge as "extremely leathel"
- 31 Jul 1978- Letter from the Regional Board to Mr. Wessman containing Notice of Proposed Waste Discharge Requirements
- 8 Sep 1978- Official copy of Order No. 78-114 sent to Mr. Wessman adopted as an uncontested item.
- 22 Sep 1978- Letter from the Regional Board concerning procedure for a petition for review by the State Board of a decision by the Regional Board
- 2 Oct 1978- Regional Board staff member Chris Haynes phoned Mr. Wessman to discuss compliance dates of Order No. 78-114
- 16 Oct 1978- Received a copy of Mr. Wessmans appeal to the State Board

Mount Diablo Quicksilver Mine

- 19 Oct 1978- Letter from the State Board requesting amendments to Mr. Wessmans petition.
- 19 Oct 1978- Regional Board staff contacted Mr. Wessman regarding compliance dates in Order No. 78-114.
- 24 Oct 1978- Conceptual plan for the containment of sediment, submitted by Mr. Wessman.
- 3 Nov 1978- Letter from the Regional Board to Mr. Wessman with comments concerning the submitted conceptual plan. Staff does not agree with method of compliance.
- 3 Nov 1978- Regional Board staff discussed the comments on the conceptual plan with Mr. Wessman.
- 14 Nov 1978- Regional Board staff inspection by Chris Haynes finds the mine not in compliance with Board Order No. 78-114.
- 15 Nov 1978- Mr. Wessman indicated by phone that he has no intention of complying with Discharge Limitation A.1 of Order No. 78-114.
- 20 Nov 1978- Mr. Wessman filed amendment to his appeal with the State Board.
- 20 Nov 1978- Clean-Up and Abatement Order issued and delivered by Chris Haynes.
- 20 Nov 1978- Regional Board staff inspection by Chris Haynes finds a violation of Order No. 78-114.
- 29 Nov 1978- Regional Board staff inspection by Chris Haynes finds that no work has been completed at the site.
- 1 Dec 1978- Phone message from Mr. Wessman indicates that the grading work will be complete by Sunday 2 December 1978.
- 4 Dec 1978- Revised conceptual plan received from Mr. Wessman indicates work will be complete by 10 December 1978.

DESIRED ENFORCEMENT

The Board seeks to have the Court place an injunction on Jack and Carolyn Wessman to require compliance with the Clean-Up and Abatement Order and Board Order No. 78-114.

LEGAL AUTHORITY FOR REQUESTED ACTION

The legal authority for this request is found in Section 13304(a), Article 1, Chapter 5, Division 7 of the California Water Code, which states:

"Any person" (Jack and Carolyn Wessman) "who discharges waste into waters

of this state in violation of any waste discharge requirement" (Order No. 78-114)"....or who intentionally permits any waste to bedeposited where it....will be discharged into the waters of the state,....shall upon order of the Regional Board clean up such waste, or in the case of threatened pollution take other necessary remedial action. Upon failure of any person to comply with such cleanup or abatement order, the Attorney General, at the request of the Board, shall petition the Superior Court for that County" (Contra Costa) "for the issuance of an injunction requiring such person to comply therewith."

Order No. 78-114, Waste Discharge Requirements for Mount Diablo Quicksilver Mine (Attachment #1) includes the following requirements:

Prohibition A.1 states:

"The direct discharge of wastes to surface water or surface water drainage courses is prohibited".

Prohibition A.2 states:

"Previously deposited sediment in the reservoir shall not be discharged."

The Clean-Up and Abatement Order dated 20 Nov 1978, states "....that pursuant to Section 13304 of the California Water Code, Jack and Carolyn Wessman shall:

- 1. By 30 November 1978 redivert the springs from the mine overburden and other worked areas of the mine back to the storage reservoir to abate further direct discharge.
- 2. By 30 November 1978 complete the repair of the storage reservoir so as to comply with Discharge Prohibition A.2 of Order No. 75-114.

ANALYSIS OF THE CASE

The record indicates the land is presently owned by Jack and Carolyn Wessman. Drainage from the mine property enters Dunn Creek thence Marsh Creek and severely degrades the water quality.

The Board staff has maintained contact with Mr. Wessman, in an effort to resolve the matter, except during the drought period of 1976-1977 when there was no evidence of a problem, and no solution to the matter has been accomplished by Mr. Wessman. In an effort to have this situation corrected, the Board seeks injunctive relief against Jack and Carolyn Wessman.

INDEX OF ATTACHMENTS

- 1. Clean-Up and Abatement Order issued 20 November 1978
- 2. Waste Discharge Requirement Order No. 78-114
- 3. Resolution No. 135
- 4. Chemical Sampling and Analysis by Steve Macaullay
- 5. Chemical sampling and analysis by T. Morgester
- 6. Letter to Mr. Wessman from the Regional Board, 28 October 1975.
- 7. Letter from Mr. Wessman to the Board dated 10 December 1975
- 8. Geologic report submitted by Mr. Wessman
- 9. Letter from Board to Mr. Wessman, 18 December 1975 includes copy of Resolution No. 53-21
- 10. Memo from Larry Nash, 30 September 1976
- 11. Memo from Chris Haynes, 2 October 1978
- 12. Memo from Department of Fish and Game, 18 August 1978
- 13. Sampling and analysis by Chris Haynes
- 14. Memo from Jim Parsons
- 15. Letter from Board, 13 July 1978
- 16. Letter from Board, 14 September 1978
- 17. Letter from Board, 22 September 1978
- 18. Memo from Chris Haynes, 4 October 1978
- 19. Letter from Mr. Wessman to State Board, 6 October 1978
- 20. Letter from State Board to Mr. Wessman, 19 October 1978
- 21. Memo from Chris Haynes, 19 October 1978
- 22. Letter from Mr. Wessman to Board, 24 October 1978
- 23. Letter from Board to Mr. Wessman, 3 November 1978
- 24. Memo from Chris Haynes, 3 November 1978
- 25. Memo from Chris Haynes, 14 November 1978

(continued)

LIST OF ATTACHMENTS

- 26. Memo from Chris Haynes, 15 November 1978
- 27. Letter from Mr. Wessman to State Board, 14 November 1978
- 28. Letter from Board to Mr. Wessman and proof of service, 20 November 1978
- 29. Memo from Chris Haynes, 20 November 1978
- 30. Memo from Chris Haynes, 29 November 1978
- 31. Phone messages from Mr. Wessman, 1 December 1978
- 32. Letter from Mr. Wessman to Board received 4 December 1978